



Staff Report

POLICE DEPARTMENT/CITY HALL PROJECT – JUNE MONTHLY UPDATE & RESOLUTION AUTHORIZING A SECOND AMENDMENT TO A PROFESSIONAL SERVICES AGREEMENT WITH HARRIS ASSOCIATES IN AN AMOUNT NOT TO EXCEED \$49,974

Honorable Mayor and Council Members

Summary

Staff provides an update on the Police Department/City Hall project to the City Council and community on a monthly basis. This report provides updated information such as recent construction activities, upcoming construction activities, and budget/change orders. Selected photos of the project and an updated schedule are also included. Lastly, this report includes a resolution authorizing an amendment to the construction management contract.

Background

On July 22, 2003 the City Council approved the plans and specifications for the Police Department/City Hall project and directed staff to issue them to the pre-qualified bidders. The project includes, but is not limited to, the seismic retrofit of City Hall and the addition of 8,000 square feet. Bids were opened on October 1, 2003 and the lowest responsible bidder was Thompson Pacific of San Rafael, which was awarded the contract on October 14. A Notice to Proceed was issued on October 30 with work to begin on November 10, 2003 and continue for 410 days.

As of June 20, 2005 we are at day 589 of the project. Clearly the timeline has slipped from the original completion date, as noted before and below.

Discussion

Recent construction activities -

- Council Chamber near completion and in operation.
- Audio/Visual equipment work in the Council Chamber completed.
- Phase I Quality Control list (punch list) corrections continue.
- Demolition work for Phase II essentially completed.
- City Manager's Office and Human Resources Office moved to second floor on May 25th.
- "Permit Center" and "Police Department" signage installed in lobby.
- Installation of custom dispatch casework started.

- Phase II structural steel work nearing completion.
- Phase II HVAC work started.
- Phase II fire sprinkler irrigation piping roughed in.
- Phase II interior wall framing underway.
- Foundation poured for new concrete trash enclosure.
- Placing concrete for new curbs and sidewalks in south side parking lot started.

Upcoming construction activities –

- Completion of Phase I punch list work.
- SBC completion of the 9-1-1 and PD radio systems.
- Removal of existing exterior glass to facilitate the addition or deletion of doors.
- Modification of existing exterior glass to facilitate the addition or deletion of new doors.
- Final underground sewer connections.
- Placement of concrete for new curbs and sidewalks and asphalt for south parking lot.
- Construction of concrete block walls for trash enclosure.
- Plumbing rough-ins on 2nd floor.
- Electrical rough-ins.
- Wall framing on all three floors of north wing.

Miscellaneous issues –

Project Management Transition:

The City Hall construction project management was handled by interim City Manager Dan Rich until May 20 when Parks & Recreation Director Karl Mittelstadt assumed the responsibility. Karl is retiring June 30. While the project is nearing completion, it will continue to require construction management oversight even after physical completion of the buildings. The City Manager will appoint a replacement shortly. One possibility would be to engage someone on a professional services agreement to continue project oversight after June 30. Another would be for the City Manager to assume the responsibility. Ray Davis has taken over responsibility for “Phase III” which is the demolition and subsequent landscaping of the current Police building site. That work will not occur until after the Belmont Festival in September.

Construction Management:

The construction management contract with Keith Anderson of Harris Associates ended on June 15th. Staff is recommending the contract with Harris be extended through mid-September with reduced hours. Harris’ services are vital to seeing the project through completion for both day-to-day construction activities and to represent the city in communications with the general contractor. A contract amendment has been prepared. This is the second amendment to the Harris contract. The schedule below summarizes the contract:

Initial Amount	\$385,000
First Amendment	55,000
Second Amendment	49,974
Total	\$489,974

The attached resolution will authorize staff to execute the second amendment to the agreement in the amount of \$49,974.

Move/Opening:

City Hall offices were moved on Thursday, April 28. City Hall remained closed to the public on Friday so staff could unpack and get their offices/suites together. City Hall opened to the public through the new, One Twin Pines Lane lobby at 8 AM on Monday, May 2. The “north” driveway off Sixth Avenue is now open and the “south” driveway is completely closed.

A “ribbon cutting” was held on Tuesday, May 3 at 9 AM to formally open the building. A bigger celebration will be a “community open house” this summer after the project is entirely done.

The City Managers and the Human Resources Offices were moved to the second floor on May 25th to clear the 3rd floor north wing for construction activities. They will remain on the second floor until all major construction is complete.

Council Chamber:

Work is essentially complete in the Chamber. The installation of the second row of curtains in the large glass walls is delayed due to the backordering of the material. The first City Council meeting was held in the new Chamber on June 14th. The Planning Commission met on June 21st. Control problems with the HVAC equipment continue in the Chamber. The contractor is working to resolve the issue.

Staff has received quotes from three vendors for a sign in the Council Chamber. They ranged from \$1,700 to \$14,000. We are exploring a three foot wood carving of the logo, which is at the low end of the estimates.

Architect Fees:

Staff is in discussions with the architect regarding additional fees since the project has gone beyond the anticipated fourteen month duration. An additional \$9,000 was agreed to to carry the architect through the end of the project.

Budget/change orders –

The construction contract with Thompson Pacific is for \$7,085,000 (plus approved change orders); Council approved a contingency of \$569,100.

Total Available for the \$9,985,100

project:

As of May 31, 2005, approximately \$3.8 million has been expended this fiscal year and a balance of just under \$1.8 million remains.

Change Orders –

As of June 20, still only eleven formal change orders, addressing forty-four separately negotiated changes (including twelve credits), have been processed and paid, for a net total of \$34,938.

Despite the lack of numerous formally approved change orders, we know of other construction elements that will result in extra costs to the City. The significant components include: additional demo for the generator pad, steel collectors under the thickened slab, changes to the structural steel, revisions to the roof slope, rerouting conduit for the generator, carpets in the new stairwell, additional electrical work, changes to the existing fire protection system, and changes to the Police telecomm room.

As noted in past reports, there are also a number of situations that should result in credits to the City. For example, deletion of the elevator sump pump, reduced conduit and wiring for the new generator, reduced work in the existing north stairs, and deletion of fire alarm devices.

Additional Costs-

As noted above, staff is recommending a second amendment to the construction management contract with Harris Associates. These additional services will not exceed \$50,000. Additionally, it is apparent to staff that a number of critical work items were not included in the scope of the original construction contract documents. Examples include, but are not limited to, painting the interior walls of the City Managers, Human Resources, Finance Department and Community Development Offices on the 3rd floor, sealing and coating the concrete floors in the new holding cells in the Police Department and extending data cables into several offices. While this work could be performed at a later date, staff believes that it is prudent to proceed now while these areas in the building are unoccupied. This work will be coordinated with the original contract work so that staff can move unaffected into their renovated suites. The total estimate for these items is \$50,000. The combined amount of these additional costs, or \$100,000 (1% of the total budget), is available from the project contingency.

Draws on Contingency -

On balance, our rough estimate is that the current net cost of the construction contract changes identified to date is about **\$280,000**. The increase in this month's estimate reflects the added demolition and/or modification of existing conditions needed to facilitate the installation of the Phase II steel and relocate existing mechanical and plumbing components. Please keep in mind this net cost projection is based on our construction manager's estimates only – not actual agreements with the contractor.

In addition, as noted before, there are other (non-construction) estimated charges against the contingency. For example, the archaeological costs are higher than budgeted, as will be the

audio-video equipment and reconnecting the phone lines. Other significant additional expenses include site planning for the current PD site, new workstations for the police dispatch center, additional storage and furniture rental costs, developing the new furniture specs, fencing, additional construction management fees and additional furnishings. The plans and specifications for the actual demolition are still being worked on, but it is clear the total cost is likely to be more than originally budgeted. A final cost estimate will be prepared once all the preliminary work is completed.

Looking at all anticipated expenses, it looks like we are within \$25,000 of the total project budget, excluding the demolition of the existing police station. This figure includes the increased cost estimate for additional moving/furnishing costs. It is, of course, still an estimate based on the best information we have at this time with some costs still unknown. Staff will continue to monitor actual expenditures to the plan and will update Council regularly.

Police Department Demolition and Landscaping-

Due to the nature and timing of the project, staff is recommending that the current Phase III of the project, the demolition of the Police Station and subsequent landscape improvements be separated from the City Hall/Police Department project. This will entail creating a \$150,000 (est.) project budget for the demolition, asbestos abatement, backfilling of the basement and restoration of the Manor Building exterior into a new project account. Staff proposes any remaining funds from the Police Department/City Hall project be transferred into this new project and be further augmented by additional funding from the General Facilities Fund, the Redevelopment Agency Capital Projects Fund or a combination of both. This new project requires an amendment to the FY 2006 Budget and council authorization prior to contract bid approval. Staff will bring back a resolution as part of the Mid Year Review for this purpose. Lastly, this project would be coordinated with an existing budgeted project, Police Station Landscape Improvement - #8051 in the amount of \$280,000, already authorized in the adopted FY 2006 Parks Capital Improvement budget. This project includes the landscaping, sidewalk and lighting improvements for the site.

Project schedule -

Below is the timeline as of this date.

Some activity delays may be attributable to design and/or documentation errors, so it is likely that some of the delays will be considered “concurrent” (offsetting - “their” fault and “our” fault). As noted before, discussions are underway with the general contractor to try to resolve these delay issues without litigation.

Milestone	Original Schedule	Revised	Actual	Comments
<i>Phase I:</i>				
Demolition	Jan. 9		Jan 9	
Foundations	Feb. 13		Feb 13	

Shear Walls - Existing Building	March 29		April 7	
Concrete Walls – Addition	April 29		May 26	
Structural Steel	June 23		Sept 16	
Roof on Addition	August 4		Feb 24	
Complete Landscaping	August 26	Apr 15		<i>Phase I complete/not accepted</i>
Complete Site work	Oct. 14	Apr 26		
Structural Glass	August 20	April 6		<i>Only very minor work to complete</i>
Phase I complete	Oct. 14	Apr 27		<i>Essentially done by then</i>
Transition period	Oct. 25		April 28 -May 25	<i>Complete with move of CM & HR Offices</i>
<i>Phase II:</i>				
Demolition	Nov 4		May 18	
Tenant Improvements (currently occupied areas)	Oct. – Dec.	May – August		
Phase II complete	Dec. 23	August 5		

Photo's -

The following picture from the ribbon cutting highlights the progress since the last update.



Fiscal Impact

There is sufficient funding from project contingency to approve the contract amendment with Harris Associates in the amount of \$49,974.

Recommendation

It is recommended that Council accept the update provided in this report and adopt the attached resolution amending the professional services agreement with Harris.

Alternatives

1. Provide alternative direction to staff.
2. Take no action.

Attachments

1. Resolution
2. Exhibit “A” – Scope of Services

Respectfully submitted,

Karl Mittelstadt
Director of Parks &
Recreation

Jack Crist
Interim City Manager

RESOLUTION NO. _____

RESOLUTION AUTHORIZING A SECOND AMENDMENT TO A PROFESSIONAL SERVICES AGREEMENT WITH HARRIS ASSOCIATES IN AN AMOUNT NOT TO EXCEED \$49,974

WHEREAS, the City of Belmont requires construction management services to complete the City Hall/Police Department project; and,

WHEREAS, Harris Associates has been engaged to perform said services; and

WHEREAS, the City of Belmont requires an amendment to the existing professional services agreement with Harris Associates.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Belmont authorizes a second amendment to a professional services agreement with Harris Associates in an amount not to exceed \$49,974 as outlined in Exhibit A.

* * * * *

I hereby certify that the foregoing Resolution was duly and regularly passed and adopted by the City Council of the City of Belmont at a regular meeting thereof held on July 12, 2005 by the following vote:

AYES, COUNCILMEMBERS: _____

NOES, COUNCILMEMBERS: _____

ABSTAIN, COUNCILMEMBERS: _____

ABSENT, COUNCILMEMBERS: _____

CLERK of the City of Belmont

APPROVED:

MAYOR of the City of Belmont